UNITED STATES DISTRICT COURT
DISTRICT OF MINNESOTA

UGGLEBO CLOGS, LLC, a Minnesota LLC, Plaintiff, v. DECKERS OUTDOOR CORPORATION, a Delaware Corporation, Defendant.	Case No. _______________ **JURY TRIAL DEMANDED**

COMPLAINT

Plaintiff, Ugglebo Clogs, LLC, for its Complaint against Defendant Deckers Outdoor Corporation, states and alleges as follows:

PARTIES

1. Plaintiff is a Minnesota limited liability company, having a principal place of business at 11130 Lake Point Drive, Chisago City, Minnesota 55013.

2. Defendant is a Delaware corporation, having a principal place of business at 495-A South Fairview Avenue, Goleta, California 93117.

JURISDICTION

3. This Court has subject matter jurisdiction over the claims asserted in this action pursuant to 15 U.S.C. § 1121(a) and 28 U.S.C. §§ 1331, 1332(a), 1338, and 1367. The claims alleged in this Complaint arise under the Lanham Act, 15 U.S.C. § 1051, *et seq.*, Minn. Stat. § 325D.44, *et seq.*, and Common Law.

FACTS

4. Ugglebo brand clogs have been made and sold by the same family in Sweden for close to 50 years. The brand was created by the Carlsson family in 1965 and many family members in Sweden and the United States have worked in the business since its inception. During the late 1960's, Christer Carlsson joined and began managing the family business, and he remains an integral part of the hand-crafted clog making process, spending most of his day teaching and crafting clogs directly. He remains responsible for the manufacture of clogs to this day.

5. Since the inception of the brand, Ugglebo brand clogs have been made at the same facility located at Ugglebo 613, 388,99 PARYD Sweden.

6. Plaintiff is the owner of the worldwide rights to the Ugglebo trademark and the worldwide distributor of Ugglebo brand clogs.

7. The Ugglebo brand has been used on and in connection with the sale of basic Swedish clogs, comfort Clogs, high-fashion clogs and clog boots. Since the 1960's, Ugglebo brand clogs have been continuously sold in the United States and throughout the world.

8. During the 1970's, clogs sales and Ugglebo brand clog sales reached their peak popularity, particularly in the United States. During the 1980's, 1990's, and 2000's, Clogs diminished in popularity, but Ugglebo brand clogs continued to be sold in the United States.

9. Clogs are now enjoying a resurgence in fashion and popularity in the United States.

10. However, Deckers' use of Ugg as a brand for clogs and footwear impairs the ability to sell Ugglebo clogs and diminishes the value of the Ugglebo brand.

11. Ugg is generic in Australia to describe sheepskin boots. Legend is that Australian pilots wrapped their feet and legs with sheepskin to keep warm in unheated airplanes. The wraps were so ugly that they were referred to as "uggs." Later, a small Australian cottage industry began making sheepskin boots they called "uggs." That cottage industry became a commercial product in the 1970's when surfers began wearing them to warm their feet after surfing.

12. Legend suggests that "ugg" boots arrived in the United States in the late 1970's. Sales were limited primarily to surfers in California. In 1995, Deckers purchased the rights to the boot and began increasing the volume of product sold under the "ugg" name.

13. Through aggressive litigation, coincidence, and advertising, Defendant has successfully converted "ugg" from a generic term for sheepskin boots in Australia into a trademark for boots in the United States. Furthermore, Defendant has now extended the trademark to many non-boot footwear products such as, for example clogs, slippers and moccasins, as well as non-sheepskin products.

14. Upon information and belief, Deckers has known of the prior use of the Ugglebo brand since, at the latest, 1999 when the Carlsson family first used Ugglebo on its website. Upon information and belief, Deckers expanded the

product offerings under the Ugg brand and the geographic area of sales with knowledge of Ugglebo's prior superior rights and without regard to those rights. Deckers has knowingly created a trademark problem for itself and Ugglebo.

15. Decker's use of Ugg harms Plaintiff. The letters "U," "G," and "G" are the first three letters of Plaintiff's trademark and the most distinctive and memorable part of the Ugglebo trademark. Many consumers pronounce the "Ugg" in Ugglebo the same as they pronounce Deckers' Ugg mark, i.e., they say Ugg-le-bo or Uggly-bo.

16. Deckers use of the Ugg name for boots and non-boot footwear is likely to create consumer confusion.

17. Consumers are likely to believe that the Ugglebo brand clogs and Ugg brand products are from the same source or somehow related. Other consumers as well as some wholesalers, retailers, and consumers will conclude that Ugglebo is attempting to trade on the Ugg mark causing them not to buy Ugglebo products and diminishing the good will in the Ugglebo brand. Decker's appropriation of "ugg" for boots and non-boot footwear diminishes the value of the Ugglebo mark. Ugglebo has been damaged in an amount that exceeds the sum or value of $75,000.00.

18. The likelihood of confusion is particularly acute for clogs and other products that are not traditional sheepskin boots.

COUNT I
(Federal Unfair Competition)
(Lanham Act § 43(a), 15 U.S.C. § 1125(a))

19. Plaintiff restates and incorporates by reference the allegations in Paragraphs 1–18.

20. Defendant's Use of Ugg in connection with footwear constitutes a false designation of origin, false or misleading description of fact, and a false or misleading representation of fact in violation of 15 U.S.C. § 1125(a).

21. Defendant's use of Ugg in connection with footwear is likely to cause confusion, or to cause mistake, or to deceive as to the origin, affiliation, sponsorship, connection, or association of Defendant's and Plaintiff's products.

22. Defendant's unlawful actions have caused, and will continue to cause Plaintiff irreparable harm unless enjoined.

23. Defendant's unlawful actions have caused Plaintiff monetary damage in an amount presently unknown, but in an amount to be determined at trial.

COUNT II
(Minnesota Deceptive Trade Practices Act)
(Minn. Stat. § 325D.44, *et seq.*)

24. Plaintiff restates and incorporates by reference the allegations in Paragraphs 1–23.

25. Defendant's use of the Ugg mark in connection with footwear constitutes unfair and deceptive trade practices under the Deceptive Trade Practices Act of the State of Minnesota.

26. Defendant's actions have caused, and will continue to cause, Plaintiff irreparable harm unless enjoined.

27. Defendant's unlawful actions have caused Plaintiff monetary damage in an amount presently unknown, but in an amount to be determined at trial.

COUNT III
(Common Law Unfair Competition)

28. Plaintiff restates and incorporates by reference the allegations in Paragraphs 1–27.

29. Defendant's use of the Ugg mark in connection with footwear constitutes unfair competition under common law.

30. Defendant's actions have caused, and will continue to cause, Plaintiff irreparable harm unless enjoined.

31. Defendant's unlawful actions have caused Plaintiff monetary damage in an amount presently unknown, but in an amount to be determined at trial.

PRAYER

WHEREFORE, Plaintiff prays that the Court enter judgment:

1. In favor of Plaintiff and against Defendant on all of Plaintiff's claims;

2. Enjoining and restraining Defendant, its officers, agents, servants, employees, attorneys and all others in active concert or participation with Defendant, during the pendency of this action and thereafter permanently from:

A. Using the mark Ugg or any confusingly similar designation alone or in combination with other word or design, as a trademark, trade name component or otherwise, to market, advertise, or identify products and services not produced or authorized by Plaintiff;

B. Unfairly competing with Plaintiff in any manner whatsoever;

C. Causing a likelihood of confusion or injury to the business reputation of Plaintiff's Ugglebo Mark.

D. Using in any manner Ugg or any name containing Ugg or any variation thereof alone or in combination with any other word or letters and/or term as one or multiple words, in connection with any advertisement or promotion; and

E. Committing any other act or making any other statement which infringes Plaintiff's trademarks or service marks or constitutes an act of trademark or service mark infringement, contributory infringement, trademark dilution, or unfair competition under federal common law or Minnesota state law.

3. Requiring Defendant to deliver up, or cause to be delivered up, for destruction all labels, signs, prints, packages, wrappers, receptacles,

advertisements, and all other materials in the possession or control of Defendant that infringe Plaintiff's Ugglebo Mark.

4. Requiring Defendant to place appropriate disclaimers on any products sold under the Ugg name that are not enjoined;

5. Requiring Defendant to account for and pay over to Plaintiff all damages sustained by Plaintiff;

6. Awarding Plaintiff its attorneys' fees, treble damages, costs, and expenses pursuant to 15 U.S.C. §§ 1114 and 1117; and

7. Awarding Plaintiff such other relief as the Court may deem just and equitable.

JURY DEMAND

Plaintiff hereby demands a trial by jury on all issues triable as of right by a jury.

Dated: 1/20/2011

Respectfully submitted,

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